# RENTAL MARKET REPORT

## Newfoundland and Labrador Highlights

Canada Mortgage and Housing Corporation

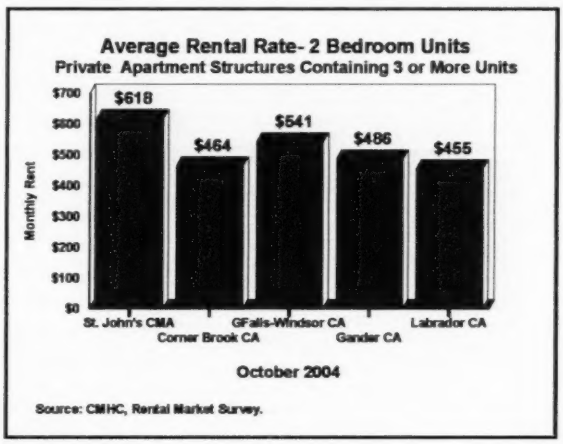
www.cmhc.ca

## Vacancy Rates Higher in Most Markets

October 2004

With the exception of the Gander area, where the apartment vacancy rate declined to 5.8 per cent in October, rental markets in all other provincial urban centres posted higher vacancy rates in 2004. With incomes continuing to rise and interest rates remaining quite favourable, more renter households were able to purchase homes. This is particularly the case in the St. John's region where MLS® sales are on pace to hit record levels for the sixth consecutive year and housing starts should post their strongest performance since 1973. Within the St. John's region, the vacancy rate for private apartment structures containing three or more units stood at 3.1 per cent in October, up from 2.0 per cent a year earlier. Strikes in the local mining industry were largely responsible for further weakening in the Labrador City-Wabush rental market which saw its vacancy rate climb to 18.7 per cent in October, up from 16.3 per cent last year. The Corner Brook area's rental market remained the tightest in the province with the vacancy rate inching up to 1.5 per cent from 1.3 per cent in October of 2003. Recent additions to the supply of rental stock and layoffs in the local information technology industry were major factors behind a softening rental market within the Grand Falls-Windsor area which saw its vacancy rate increase to 3.3 per cent this year from 2.7 per cent a year earlier.

Despite the mixed performance, average rents for two bedroom apartments increased in all markets. Gains in two bedroom rents over the past twelve months ranged from a low of 1.1 per cent in Grand Falls-Windsor to a high of 4.8 per cent in Labrador West. Average rents for two bedroom apartments advanced 3.1 per cent in the Corner Brook region, 1.5 per cent in the Gander area and 1.8 per cent in St. John's.

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## 1. Vacancy Rates

### Apartment Vacancy Rates by Bedroom Type (%) - Newfoundland & Labrador

| Area | Bachelor | | One Bedroom | | Two Bedroom | | Three + Bedroom | | Total | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 |
| St. John's CMA | 3.1 | 3.8 | 1.5 | 3.0 | 1.7 | 2.9 | 4.2 | 3.7 | 2.0 | 3.1 |
| Gander CA | ** | ** | 11.1 | 7.8 | 7.6 | 5.1 | 10.3 | 7.7 | 8.5 | 5.8 |
| Grand Falls-Windsor CA | ** | 18.8 | ** | 4.6 | 2.0 | 2.9 | 2.5 | 2.2 | 2.7 | 3.3 |
| Corner Brook CA | ** | 0.0 | 1.5 | 1.2 | 0.7 | 0.9 | ** | ** | 1.3 | 1.5 |
| Labrador CA | ** | ** | 31.8 | 31.0 | ** | 16.2 | ** | 8.4 | 16.3 | 18.7 |

## 2. Average Rents

### Apartment Average Rents by Bedroom Type ($) - Newfoundland & Labrador

| Area | Bachelor | | One Bedroom | | Two Bedroom | | Three + Bedroom | |
|---|---|---|---|---|---|---|---|---|
| | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 | 2003 | 2004 |
| St. John's CMA | $467 | $453 | $520 | $521 | $607 | $618 | $620 | $624 |
| Gander CA | ** | ** | $405 | $397 | $479 | $486 | $503 | $501 |
| Grand Falls-Windsor CA | ** | $291 | ** | $423 | $535 | $541 | $478 | $490 |
| Corner Brook CA | $366 | $380 | $387 | $391 | $450 | $464 | $507 | ** |
| Labrador CA | ** | ** | $379 | $396 | ** | $455 | $434 | $456 |

**** Sample size not large enough to publish reliable results**

**Note: Data are based on 2001 census area definitions.**

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